

DRAFT

PART IV - REPRESENTATIONS AND INSTRUCTIONS
SECTION M – EVALUATION FACTORS FOR AWARD

ATTACHMENT 7

**DRAFT ARGUS PHASE 2 EMD/PRODUCTION
SECTION M EVALUATION CRITERIA**

**FOR THE
ARGUS PHASE 1 PD/RR**

SECTION M - F19628-00-R-0045

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ATTACHMENT 7**DRAFT ARGUS PHASE 2 DEVELOPMENT SECTION M EVALUATION
CRITERIA**

The proposed evaluation criteria for ARGUS Phase 2 Development Section M002, as Attachment 7 to Section H, are as follows. This Evaluation Criteria is subject to change.

M002 EVALUATION FACTORS**a. Evaluation Factors and Subfactors and their Relative Order of Importance**

Award will be made to the offeror proposing a program most advantageous to the Government based upon an integrated assessment of the evaluation factors described below. In general, the evaluation will assess: the offeror's understanding of requirements, whether the proposed approach is sound, within budget constraints, and consistent with their proposed schedule. The first three evaluation factors (Mission Capability, Past Performance, and Proposal Risk) are equal in importance, and each is more important than the Price Factor. Within the Mission Capability and Proposal Risk factors, the subfactors are of equal importance.

Factor 1: Mission Capability

Subfactor 1: Architecture Approach

Subfactor 2: Integrated and Manufacturing Processes

Factor 2: Past Performance

Factor 3: Proposal Risk

Subfactor 1: Architecture Approach

Subfactor 2: Integrated and Manufacturing Processes

Factor 4: Price

b. Importance of Cost/Price

In accordance with FAR 15.403(e), the evaluation factors other than cost or price, when combined, are significantly more important than cost or price; however, cost or price will contribute substantially to the selection decision.

c. Factor and Subfactor Rating

A color rating will be assigned to each subfactor under the Mission Capability Factor. The color rating depicts how well the offeror's proposal meets the Mission Capability

subfactor requirements in accordance with the stated evaluation criteria and solicitation requirements. A performance confidence assessment will be assigned to the Past Performance factor. Performance confidence represents the Government's confidence in an offeror's ability to successfully perform as proposed based on an assessment of the offeror's present and past work record. A proposal risk rating will be assigned to each subfactor under the proposal risk factor. Proposal risk represents the risks identified with an offeror's proposed approach as it relates to the evaluation criteria and solicitation requirements. Price will be evaluated as described in paragraph M002 f below. When the integrated assessment of all aspects of the evaluation is accomplished, the color ratings, performance confidence assessment, proposal risk ratings and price evaluation will be considered in the order of priority stated in paragraph M002 a. Any one of these considerations can influence the SSA's decision.

Each subfactor within the Mission Capability Factor will receive one of the four color ratings described in AFFARS 5315.305(a)(3)(i), based on the assessed strengths and proposal inadequacies of each offeror's proposal as it relates to each of the Mission Capability subfactors. Subfactor ratings will not be combined into a single color rating for the Mission Capability factor.

Under the Past Performance factor, a Performance Confidence assessment is conducted which represents an evaluation of an offeror's present and past work record in terms of the Government's confidence in the offeror's ability to successfully perform as proposed. Each offeror will receive one of the ratings described in AFFARS 5315.305(a)(2)(ii) for the Past Performance factor. As a result of an integrated analysis of those risks and strengths identified, each offeror will receive a single integrated Performance Confidence Assessment. The Performance Confidence Assessment will be the sole rating for the Past Performance factor.

Each subfactor under the Proposal Risk factor will receive one of the Proposal Risk ratings described in AFFARS 5315.305(a)(3)(ii).

In arriving at a best value decision, the Government reserves the right to give additional positive consideration for a realistic proposal approach that exceeds the ARGUS program's objectives stated in the SOO. Offerors are to note that, in conducting this assessment, the Government reserves the right to review data obtained from other sources, if deemed necessary.

d. Mission Capability Factor

The ARGUS Architecture description, Selected Processes, Interim Accomplishments and Dates, Software Capability Evaluation Reports, Risk Matrix, and the offeror's subcontracting plan will be used to evaluate the Mission Capability Factor. In general, the evaluation will assess the offeror's understanding of requirements, and whether the

proposed approach is sound and consistent with the proposed interim accomplishments and dates.

Subfactor 1: Architecture Approach

The Government will evaluate the offeror's proposal to determine the degree in which the offeror's vision and understanding of an ARGUS architecture complies with the TRD and SOO. The evaluation will determine the extent to which the architecture addresses key ARGUS functions, flexibility, interfaces, risks, and provides a credible Spiral design evolution. The evaluation will assess and consider the degree to which the proposed approach provides:

- (1) A realizable architecture that can efficiently evolve over time to accommodate the requirements as well as changing technology.
- (2) A thorough understanding and knowledgeable approach to handling major functions which include but are not limited to data translation, correlation, track database design, data management, data flows, message prioritization, user and data profiling, dissemination and system security operating levels.
- (3) A design that accommodates existing Intel message formats and allows growth for future changes.

Subfactor 2: Integrated and Manufacturing Processes

The Government will evaluate the offeror's management, engineering, and manufacturing processes that ensure ARGUS activities and products (e.g., hardware and software elements) provide an integrated solution set that meets objectives of Spiral development set forth in the SOO, TRD, and SOW. The evaluation will assess whether the offeror's approach provides, at a minimum:

- (1) a realistic program with emphasis on the following:
 - a. Realistic approach to providing the delivery of the capability and to IOC.
 - b. A credible approach addressing selected Key System Engineering, Architecture Evolution, Software Development, and Certification and Accreditation tasks.
- (2) A credible and sound management approach that will result in a successful program that satisfies the SOO, TRD, and SOW with emphasis on the following:
 - a. Identification of cost/schedule drivers, associated reporting processes and metrics which will be used at all levels of process management throughout the life cycle,
 - b. How the management coordination and control of company divisions, subcontractors, teaming partners and joint venture partners will be achieved,

- c. A risk mitigation approach that effectively and realistically eliminates or reduces both selected risks presented in Section L, Table 4-1 and other significant risks identified by the offeror.
- (3) A sound management approach that implements a Government/Contractor partnership, provides effective Government insight, and insures those Government priorities and requirements are met in accordance with the SOO.
- (4) A software development approach, consistent with the Software Capability Evaluation Reports, including Commercial and Government off-the-shelf (COTS/GOTS) selection and management for the Spiral Development.
- (5) The Government will also evaluate the offeror's Subcontracting Plan for Phase 1 PD/RR to determine that the plan, at a minimum, specifies subcontracting goals for small and small disadvantaged business in accordance with FAR 52.219-9, DFARS 252.219-7003 and DFARS 252.219-7004; and addresses how those goals will be met and sustained. The Government has set a goal of 5% for Small Disadvantaged Business. Offerors may elect to submit a Comprehensive Small Business Subcontracting Plan in accordance with DFARS 252.219-7004.

e. Past Performance Factor

Under the Past Performance factor, the Performance Confidence Assessment represents the evaluation of an offeror's past work record to assess the Government's confidence in the offeror's probability of successfully performing as proposed. The Government will evaluate the offerors demonstrated record of contract compliance in supplying products and services that meet user's needs, including cost and schedule. The Past Performance Evaluation is accomplished by reviewing the aspects of an offeror's relevant past performance, focusing on and targeting performance which is relevant to the Mission Capability subfactors.

In determining relevance, contract performance over the last five (5) years will be considered. Product similarity, product complexity, similar technology, type of effort, and subcontractor interaction will be evaluated. The Government will also take into consideration whether or not the past effort was performance by the same business unit/location being proposed to perform the ARGUS effort.

To be considered Relevant, 3 of the first 6 criteria listed above in the previous paragraph must apply to past performance. In order to be considered Very Relevant, 4 of the 6 criteria listed above must apply to past performance. To be considered somewhat Relevant, at least 2 of the 6 criteria listed must apply to past performance.

The offeror shall identify all subcontractors, teaming partners, and joint venture partners that they consider to be either key or that will perform at least 20 percent of the effort

based on price. The offeror shall identify the scope of their work proposed for ARGUS. The offeror shall provide relevant past performance information on one major subcontractor, or teaming partner, or joint venture partner.

Past performance information may include data on efforts performed by other divisions, critical subcontractors, or teaming contractors, if such resources will be brought to bear or significantly influence the performance of the proposed effort. The Government may consider as relevant efforts performed for agencies of the federal, state, or local governments and commercial customers. As a result of an analysis of those risks and strengths identified, each offeror will receive an integrated Performance Confidence Assessment, which is the rating for the Past Performance factor. Although the past performance evaluation focuses on performance that is relevant to the Mission Capability subfactors, the resulting Performance Confidence Assessment is made at the factor level and represents an overall evaluation of contractor performance. In addition to evaluating the extent to which the offeror's performance meets mission requirements, the assessment will consider things such as the offeror's history of forecasting and controlling costs, adhering to schedules (including the administrative aspects of performance), reasonable and cooperative behavior and commitment to customer satisfaction, and generally, the contractor's business-like concern for the interest of the customer. Pursuant to DFARS 215.305(a)(2), the assessment will consider the extent to which the offeror's evaluated past performance demonstrates compliance with FAR 52.219-8, Utilization of Small, Small Disadvantaged, and Women-Owned Small Business Concerns and FAR 52.219-9, Small, Small Disadvantaged, and Women-Owned Small Business Subcontracting Plan.

Where relevant performance record indicates performance problems, the Government will consider the number and severity of the problems and the appropriateness and effectiveness of any corrective actions taken (not just planned or promised). The Government may review more recent contracts or performance evaluations to ensure corrective actions have been implemented and to evaluate their effectiveness.

Offerors without a record of relevant past performance or for whom information on past performance is not available will not be evaluated favorably or unfavorably on past performance and, as a result, will receive a "Neutral/Unknown Confidence" rating for the Past Performance factor.

More recent and relevant performance will have a greater impact on the Performance Confidence Assessment than less recent or relevant effort. A strong record of relevant past performance may be considered more advantageous to the Government than a "Neutral/Unknown Confidence" rating. Likewise, a more relevant past performance record may receive a higher confidence rating and be considered more favorably than a less relevant record of favorable performance.

Past performance information will be obtained through the Contractor Performance Assessment Reporting Systems (CPARS), similar systems of other Government

departments and agencies, questionnaires tailored to the circumstances of this acquisition, Defense Contract Management Command (DCMC) channels, interviews with program managers and contracting officers, and other sources known to the Government, including commercial sources.

Offerors are to note that, in conducting this assessment, the Government reserves the right to use both data provided by the offeror and data obtained from other sources.

f. Cost or Price Factor

EMD PORTION OF PHASE II

(1) The offeror's cost proposal will be evaluated by the Probable Cost (PC) computed by the Government for the basic requirements (basic award) and all options. The offeror's proposed estimated costs shall not be controlling for source selection purposes. PC shall be measured as follows: Government estimate of anticipated performance costs plus any base fee proposed, plus any fee anticipated to be awarded.

(2) The Government will evaluate the realism of each offerors' proposed costs. This will include an evaluation of the extent to which proposed costs indicate a clear understanding of solicitation requirements, and reflect a sound approach to satisfying those requirements. The Cost/Price Realism Assessment (CPRA) will consider technical/management risks identified during the evaluation of the proposal and associated costs. Cost information supporting a cost judged to be unrealistically low and technical/management risk associated with the proposal will be quantified by the Government evaluators and included in the CPRA for each offeror. When the Government evaluates an offer as unrealistically low compared to the anticipated costs of performance and the offeror fails to explain these underestimated costs, the Government will consider, under the applicable Proposal Risk subfactor, the offeror's lack of understanding of the technical requirements of the corresponding Mission Capability subfactor.

HARDWARE PORTION OF PHASE II

(1) The offeror's cost/price proposal will be evaluated using one or more techniques defined in FAR 15.404, in order to determine if it is reasonable and realistic for the basic hardware requirements and all options at price(s) proposed for the Best Estimated Quantities (BEQs) or evaluation quantities.

(2) Evaluation of options shall not obligate the Government to exercise such options.

g. Proposal Risk Factor

The content under the Mission Capability subfactors in para. M002d will apply to the assessment of the Proposal Risk subfactors. The Proposal Risk assessment focuses on the risks and weaknesses associated with an offeror's proposed approach and includes an assessment of the potential for disruption of schedule, degradation of performance, and the need for increased Government oversight, as well as the likelihood of unsuccessful contract performance. For each identified risk, the assessment also addresses the offeror's proposal for mitigating the risk and why that approach is or is not manageable. Each subfactor under the Proposal Risk factor will receive one of the Proposal Risk ratings defined in AFFARS 5315.305(a)(3)(ii).

h. Discussions

If, during the evaluation period, it is determined to be in the best interest of the Government to hold discussions, offeror responses to Evaluation Notices (ENs), and the Final Proposal Revision (FPR) will be considered in making the source selection decision.

M003 PRE-AWARD SURVEY

The Government may conduct a pre-award survey (PAS) as part of this source selection. Results of the PAS (if conducted) will be evaluated to determine each offeror's capability to meet the requirements of the solicitation.

M004 PLANT VISITS

The Source Selection Evaluation Team (SSET) may conduct plant visits during the evaluation phase to gather information for judging the offeror's potential for correcting deficiencies, quality of development or manufacturing practices/processes, or other areas useful in evaluating the offer. If a plant visit is conducted, there will be a heavy emphasis on software development and software development processes. The results will be assessed under the applicable factors/subfactors and will be used to validate and confirm the offeror's written proposal.

M005 SOLICITATION REQUIREMENTS, TERMS AND CONDITIONS

Offerors are required to meet all solicitation requirements, such as terms and conditions, representations and certifications, and technical requirements, in addition to those identified as factors and subfactors, to be eligible for award. Failure to comply with the terms and conditions of the solicitation may result in the offeror being removed from

consideration for award. Any exceptions to the solicitation's terms and conditions must be fully explained and justified.